

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter, on the Commission's own motion,	)	
of the interconnection of merchant plants with	)	
the transmission and distribution systems of	)	Case No. U-12485
of electric utilities.	)	
_____	)	

At the June 19, 2000 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. John G. Strand, Chairman
Hon. David A. Svanda, Commissioner
Hon. Robert B. Nelson, Commissioner

ORDER INITIATING PROCEEDING

On June 5, 2000, Public Act 141 of 2000 took effect. Subsection 10e(3) provides:

The commission shall establish standards for the interconnection of merchant plants with the transmission and distribution systems of electric utilities. The standards shall not require an electric utility to interconnect with generating facilities with a capacity of less than 100 kilowatts for parallel operations. The standards shall be consistent with generally accepted industry practices and guidelines and shall be established to ensure the reliability of electric service and the safety of customers, utility employees, and the general public. The merchant plant will be responsible for all costs associated with the interconnection unless the commission has otherwise allocated the costs and provided for cost recovery.

MCL 460.10e(3); MSA 22.13(10e)(3).

In light of this statutory mandate, the Commission finds that a proceeding should be initiated to establish standards for the interconnection of merchant plants with the transmission and distribution systems of electric utilities. The Commission directs the Commission Staff (Staff) to

consult with electric utilities operating in Michigan, owners and operators of merchant plants and proposed merchant plants in Michigan, and other relevant stakeholders to develop recommendations for such standards. The Staff shall file a status report on the results of its consultations by August 31, 2000. The Staff shall file a final report by October 2, 2000. Thereafter, the Commission will schedule further proceedings as appropriate.

The Commission has selected this case for participation in its Electronic Filings program. All documents filed in this case must be submitted in both paper and electronic versions. An original and four paper copies and an electronic copy in the portable document format (PDF) should be filed with the Commission. Specifications for filing electronic documents can be found in the Commission's Electronic Filings Users Manual at:

<http://ermisbbs.cis.state.mi.us/efile/usersmanual.pdf>. Contact the Commission Staff at 800.292.9555, 517.241.6170, or by E-mail at efile@ermisbbs.cis.state.mi.us prior to filing to obtain access privileges and with any questions.

The Commission FINDS that:

a. Jurisdiction is pursuant to 1909 PA 106, as amended, MCL 460.551 et seq.; MSA 22.151 et seq.; 1919 PA 419, as amended, MCL 460.51 et seq.; MSA 22.1 et seq.; 1939 PA 3, as amended, MCL 460.1 et seq.; MSA 22.13(1) et seq.; 1969 PA 306, as amended, MCL 24.201 et seq.; MSA 3.560(101) et seq.; and the Commission's Rules of Practice and Procedure, as amended, 1992 AACS, R 460.17101 et seq.

b. The Staff should consult with electric utilities operating in Michigan, owners and operators of merchant plants and proposed merchant plants in Michigan, and other relevant stakeholders to develop standards for the interconnection of merchant plants.

THEREFORE, IT IS ORDERED that the Commission Staff shall consult with electric utilities operating in Michigan, owners and operators of merchant plants and proposed merchant plants in Michigan, and other relevant stakeholders to develop standards for the interconnection of merchant plants, and shall file a status report concerning the results of those consultations by August 31, 2000 and a final report by October 2, 2000.

The Commission reserves jurisdiction and may issue further orders as necessary.

MICHIGAN PUBLIC SERVICE COMMISSION

/s/ John G. Strand
Chairman

(S E A L)

/s/ David A. Svanda
Commissioner

/s/ Robert B. Nelson
Commissioner

By its action of June 19, 2000.

/s/ Dorothy Wideman
Its Executive Secretary

THEREFORE, IT IS ORDERED that the Commission Staff shall consult with electric utilities operating in Michigan, owners and operators of merchant plants and proposed merchant plants in Michigan, and other relevant stakeholders to develop standards for the interconnection of merchant plants, and shall file a status report concerning the results of those consultations by August 31, 2000 and a final report by October 2, 2000.

The Commission reserves jurisdiction and may issue further orders as necessary.

MICHIGAN PUBLIC SERVICE COMMISSION

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Case No. U-12485

Suggested Minute:

“Adopt and issue order dated June 19, 2000 initiating a proceeding to establish standards for the interconnection of merchant plants with the transmission and distribution systems of electric utilities, as set forth in the order.”